

# D.C. Sports and Entertainment Commission

www.dcsec.com

Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$12,340,134	\$13,978,990	\$7,321,857	-47.6

The mission of the D.C. Sports and Entertainment Commission is to improve the quality of life and enhance economic development in the District by operating RFK Stadium, managing the non-military functions of the D.C. National Guard Armory, promoting the District as a venue for sports and entertainment activities, and supporting youth recreational activities.

The agency plans to fulfill its mission by achieving the following strategic result goals:

- Increase the number of events held at its facilities by seeking out new events, focusing on under-used facilities and making the venues more attractive to event promoters and producers.
- Become more profitable by identifying new revenue streams and reducing costs through improved management of its administrative, operation, and event functions.
- Improve community outreach by developing a more comprehensive and focused strategy to enhance public awareness of their grant program.

## Funding by Source

Table SC0 -1 shows the source of funding for the D.C. Sports and Entertainment Commission.

Table SC0-1

### FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
Special Purpose Revenue Fund	3,741	12,340	13,979	7,322	-6,657	-47.6
<b>Total for General Fund</b>	<b>3,741</b>	<b>12,340</b>	<b>13,979</b>	<b>7,322</b>	<b>-6,657</b>	<b>-47.6</b>
<b>Gross Funds</b>	<b>3,741</b>	<b>12,340</b>	<b>13,979</b>	<b>7,322</b>	<b>-6,657</b>	<b>-47.6</b>

## Expenditure by Comptroller Source Group

Table SC0-2 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table SC0-2

### FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from FY 2004	Percent Change
11 Regular Pay - Cont Full Time	2,481	3,060	2,345	1,651	-694	-29.6
12 Regular Pay - Other	323	116	0	0	0	0.0
13 Additional Gross Pay	65	79	0	0	0	0.0
14 Fringe Benefits - Curr Personnel	532	483	450	300	-150	-33.3
15 Overtime Pay	340	240	360	362	1	0.3
<b>Subtotal Personal Services (PS)</b>	<b>3,741</b>	<b>3,978</b>	<b>3,155</b>	<b>2,312</b>	<b>-843</b>	<b>-26.7</b>
20 Supplies and Materials	0	398	479	210	-269	-56.1
30 Energy, Comm. and Bldg Rentals	0	0	732	728	-4	-0.5
31 Telephone, Telegraph, Telegram, Etc	0	0	126	71	-55	-43.6
32 Rentals - Land and Structures	0	923	267	261	-16	-5.9
33 Janitorial Services	0	0	168	79	-89	-52.9
40 Other Services and Charges	0	47	1,685	792	-793	-50.0
41 Contractual Services - Other	0	5,068	4,923	2,592	-2,330	-47.3
50 Subsidies and Transfers	0	0	206	100	-106	-51.5
60 Land and Buildings	0	0	2,205	0	-2,205	-100.0
70 Equipment & Equipment Rental	0	1,926	134	186	51	38.0
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>0</b>	<b>8,362</b>	<b>10,824</b>	<b>5,009</b>	<b>-5,815</b>	<b>-53.7</b>
<b>Total Proposed Operating Budget</b>	<b>3,741</b>	<b>12,340</b>	<b>13,979</b>	<b>7,322</b>	<b>-6,657</b>	<b>-47.6</b>

## Gross Funds

The proposed gross funds budget is \$7,321,857, representing a 47.6 percent decrease from the FY 2004 approved budget of \$13,978,990. There are no District full-time equivalent positions (FTEs) supported in this budget.

## General Fund

**Special Purpose Revenue Funds.** The proposed budget is \$7,321,857, representing a 47.6 percent decrease from the FY 2004 budget of \$13,978,990. In December 2003, the commission's Board of Directors approved an internal revision of the FY 2004 approved budget. The FY 2004 budget was revised down to \$7,497,091 from its original level of \$13,978,990 based on lower projected revenues from events at the venues operated by the commission. When compared to this revised budget level for FY 2004, the FY 2005 proposed budget does not change substantially. D.C. Sports and Entertainment Commission employees do not fall under the District Merit Personnel system and therefore are not reflected in the FTE authority.

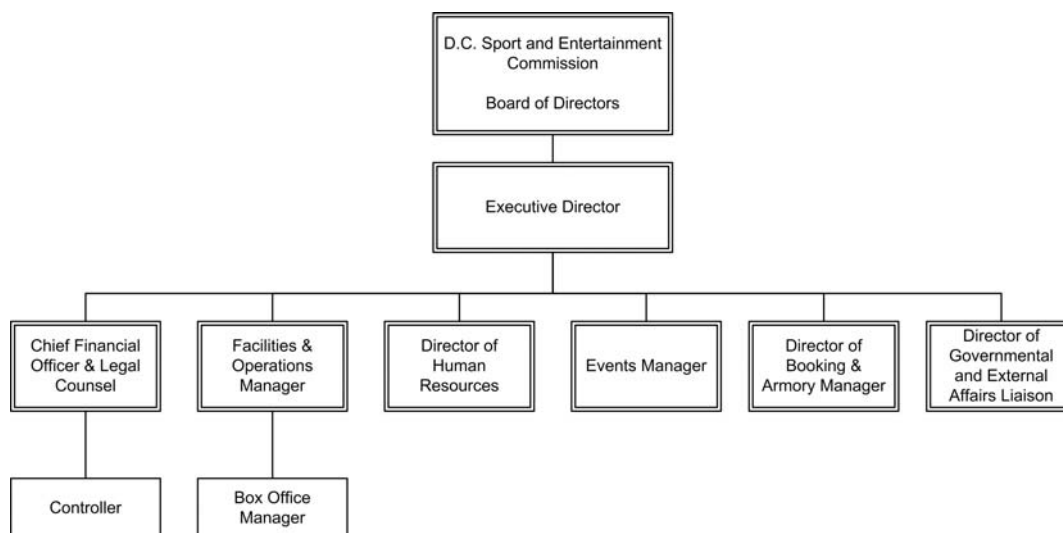
Changes from the FY 2004 approved budget

are:

- A decrease of \$842,594 or 26.7 percent in regular pay, fringe benefits and overtime pay associated with a reduction in staff from 52 to 38 positions.
- A decrease of \$1,224,409 in supplies, materials, and fixed costs based on a policy to reduce overhead costs for operating and maintaining the facilities at a level to meet minimum requirements.
- A decrease of \$2,330,210 in contractual services primarily due to a decreased utilization of consultants (i.e. for recruiting major league baseball to D.C.).
- A decrease of \$106,000 in subsidies and transfers based on anticipated community outreach contributions.
- A decrease of \$2,205,000 in land and buildings expenditures based on a significant reduction in the number and types of capital projects projected for FY 2005 compared to FY 2004.
- An increase of \$51,080 in equipment and equipment rental based on projected requirements for anticipated events during FY 2005.

Figure SC0-1

### D.C. Sports and Entertainment Commission



## Programs

The D.C. Sports and Entertainment Commission is committed to the following program:

### Sponsored Events

The D.C. Sports and Entertainment Commission is committed to its sole purpose of promoting and planning events at District venues under its purview. During the last three years, the commission has pursued a plan to refurbish the commission's facilities and work to attract and develop new events for RFK Stadium, the D.C. Armory and the commission's parking lots. The commission has completed an initial round of refurbishing its facilities to make them more attractive to event promoters and producers and will continue to work on attracting new events.

The commission is also focused on improving its event mix by replacing lower net revenue events with higher net revenue events on weekend dates and booking its facilities during the less attractive weekday dates. In addition, the commission is focusing on under-used facilities such as the lot 6 and 7 race circuit, for events such as ride and drives, parades and festivals. The goal of this effort is to strike the appropriate balance between number of events booked and the net revenue generated by those bookings.

## Agency Goals and Performance Measures

### Goal 1: Increase the number of events held at the agency's facilities.

*Citywide Strategic Priority Area(s):* Promoting Economic Development

*Manager(s):* Ollie Harper, Jr., Director of Booking and Armory Manager

#### Measure 1.1: Number of stadium and armory events

	Fiscal Year				
	2002	2003	2004	2005	2006
Target	100	110	73	73	-
Actual	82	69	-	-	-

Note: The agency reduced the FY 2004 and FY 2005 targets to 73 events per year based on FY 2003 actual results (1/5/04).

### Goal 2: Become more profitable.

*Citywide Strategic Priority Area(s):* Making

Government Work

*Manager(s):* Scott Burrell, Chief Financial Officer

#### Measure 2.1: Net income from stadium and armory events (thousands of dollars)

	Fiscal Year				
	2002	2003	2004	2005	2006
Target	500	-1,984	-2,523	-2,184	0
Actual	4,187	-5,197	-	-	-

Note: DCSEC revised its FY 2003 and FY 2004 net income projections from \$500,000 to net losses of \$1,984,000 and \$1,657,000, respectively (12/27/02). The agency originally projected it would break even by FY 2005 but has further revised its FY 2004-2005 targets to net losses of \$2,523,000 and \$2,184,000, respectively, based on the FY 2003 net loss of \$5,197,000 (1/14/04).

### Goal 3: Improve community outreach program.

*Citywide Strategic Priority Area(s):* Strengthening Children, Youth, Families, and Elders; Building Safer Neighborhoods

*Manager(s):* Scott Burrell, Chief Financial Officer

#### Measure 3.1: Community outreach contribution (thousands of dollars)

	Fiscal Year				
	2002	2003	2004	2005	2006
Target	225	200	200	200	-
Actual	177	200	-	-	-

Note: DCSEC reduced its FY 2003 and FY 2004 targets from \$250,000 to \$200,000 (12/27/02).